



Clean Cities International Bangladesh Trip Report Team Bangladesh

**November 15-20, 2003
Third Mission**

*Submitted by Greg Zilberfarb
ASG Renaissance*



Executive Summary

The highlight of this mission, the third and final mission for 2003, was the presentation made by Bill McGlinchey to over thirty senior government officials and prominent leaders of the community at the Ministry of Energy office on November 17. In addition, a Mini-Trade Show and Clean Cities Workshop was held at the Dhaka Sheraton on November 18-19.

For this mission, Team Bangladesh was comprised of Team Leader Greg Zilberfarb, Bill McGlinchey and Lisabeth (Beth) Ardisana. Beth was added to Team Bangladesh specifically to facilitate Dhaka's Clean Cities International Kick-Off Meeting

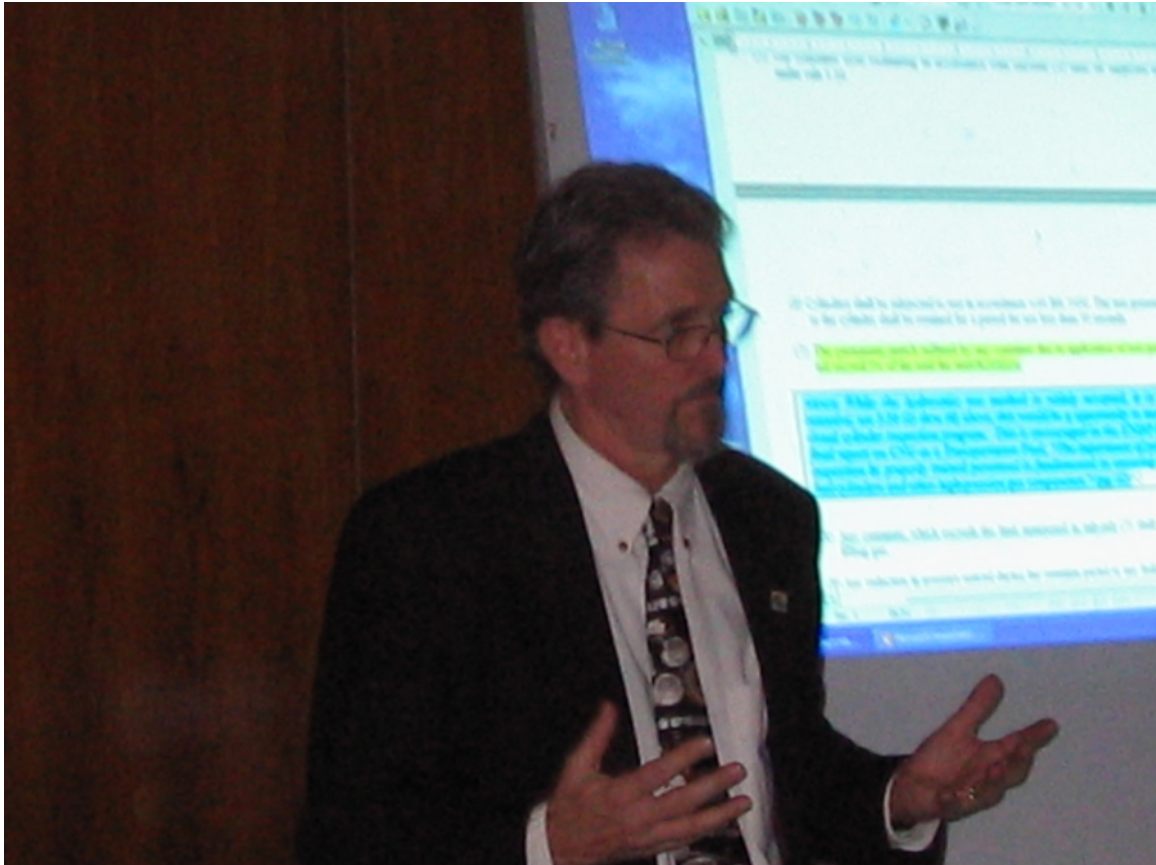
Bill's presentation, held at the Ministry of Energy, was the result of weeks of review and correspondence with members of the Bangladesh Codes and Standards Committee. The Committee has made great progress on compiling and writing draft Codes and Standards with guidance and review from Team Bangladesh. In fact, the initial Codes and Standards draft we reviewed was only twelve pages in length while the latest draft is over 400 pages and incorporates many of the suggestions made by Team Bangladesh over the course of the three missions.

Ten exhibitors representing over 15 U.S. companies as well as over 75 interested buyers attended the Mini-Trade Show, the first on CNG products in Bangladesh. This is a prime example of the increased interest in CNG equipment.

Finally, the Clean Cities International Kick-Off Meeting was a resounding success. The meeting, attended by over 50 stakeholders, is the first step in developing a sustaining coalition dedicated to a cleaner Bangladesh.

Background

Team Bangladesh has made two previous missions to Bangladesh. The first mission, a scoping mission, was held in August 2003 and the second mission, focusing on station training, was held in October. This mission, the third and final mission funded by USAID to map out a self-sustaining training strategy and enforcement regime, focused on the presentation by Bill McGlinchey on Codes and Standards to the Ministry of Energy.



Bill McGlinchey comments on Bangladesh CNG Codes and Standards during his presentation to the Secretary of Energy at the Ministry.

Codes and Standards Presentation

Bill reviewed a draft Codes and Standards document with approximately 35 attendees that included the Secretary of Energy and members of the Bangladesh Codes and Standards Committee. The meeting took place at the Ministry and lasted approximately one and half-hours.

After Bill's presentation we were presented with yet another draft report on Codes and Standards. This one was over 400 pages and contained many of the recommendations Bill had discussed.

Mini-Trade Show

10 exhibitors representing over 15 U.S. companies as well as over 75 interested buyers attended the Mini-Trade Show, the first on CNG products in Bangladesh. This is a prime example of the increased interest in CNG equipment. The following article appeared in the Daily Star the week we were there. It highlights USAID's efforts to jump-start the CNG market in Bangladesh. Many of the buyers in attendance inquired about the funding and some had meetings with the banks identified in the article.

US to fund \$3.5m for CNG set-up

UNB, Dhaka

The United States Agency for International Development (USAID) will provide \$3.5 million for the development of CNG (compressed natural gas) infrastructure run by private operators.

The money will be channelled through banks as credit to Bangladeshi private entrepreneurs and businesses willing to install CNG infrastructure.

The USAID has signed two agreements with Prime Bank Limited and Hong Kong and Shanghai Banking Corporation (HSBC) Limited in this regard.

The agreement with the USAID is believed to be the first of its kind to support CNG infrastructure anywhere in the world, a press release said.

The agreements were signed against the backdrop of a mini-trade show hosted by Clean Cities International, the US Department of Energy and the Trade Centre of the US Embassy in Dhaka on November 18-19 at Hotel Sheraton, Dhaka.

The show opened up an opportunity for the US companies to meet the CNG fuelling station buyers.

Funding under an Asian Development Bank (ADB) programme is expected to be available for 30 stations by this year. But the USAID feels that hundreds of stations will be needed in future to support the rapid conversion of vehicles.

This article appeared in The Daily Star, a Bangladesh paper the week of November 20, 2003.

CNG sector US trade show today

A daylong trade show will be held at Hotel Sheraton today Tuesday, aiming to disseminate information about American companies involved in CNG sectors, reports UNB.

Clean Cities International, the US Department of Energy, and the Trade Centre of the US Embassy in Dhaka have organised the trade show.

All individuals and organizations involved or interested in the CNG industry have been invited to attend the trade show to learn about the American companies involved in the sector and to meet with their representatives.

Various companies including Greenfield Compressors, ANGI International, Natural Gas Fueling Technology, Knox Western, Tulsa Dispensers, IMPCO and XEBEC will exhibit their products and services.

The US company representatives will be available in the show to answer questions and meet with prospective buyers, a press release said.

This article appeared in the Bangladesh Observer on November 17.



Clean Cities International facilitator Beth Ardisana discusses the goals and objectives of the Clean Cities International Program.

Clean Cities Kick-Off Meeting

The Clean Cities Kick-Off meeting was extremely well attended by prominent government officials and business leaders. In fact, the USAID Senior Energy Advisor said that to the best of his knowledge, this was the first time leaders of both government and the private sector were involved in in-depth discussions on the future of the CNG industry in Bangladesh.

Mr. Siddique Zobair, Senior Assistant Secretary of Energy & Mineral Resources Division, commented that this was something he had been trying to accomplish since he first found out about Clean Cities a few years back.

Clean Cities International

Dhaka, Bangladesh

Kick-off Meeting Minutes

Welcome

Bruce McMullen, USAID

Tom Cutler, USDOE

Bruce discussed how USAID has participated in the Bangladesh CNG market. He discussed the Team Bangladesh program and how codes and standards are an important part of safety. We want to avoid any serious accidents that would set the program back.

Tom discussed the Clean Cities International program and welcomed the stakeholders.

Introductions

All Stakeholders

All stakeholders introduced themselves. Approximately 50 stakeholders were in attendance. (See attached list of attendees.)

Mission Summary

Greg Zilberfarb

Greg went over Team Bangladesh's mission and scope of work. He also reviewed the day's agenda. (See attached presentation.)

Overview of Clean Cities

Tom Cutler

Tom presented a brief presentation on Clean Cities activities around the world and provided an overview of the steps to become an International Clean City. (See attached presentation.)

Codes & Standards Overview

Bill McGlinchey

Bill presented a summary of the report given to the government and his ongoing evaluation of the codes and standards. (See attached presentation.)

Clean Cities Roadmap

Beth Ardisana

Discuss Goals and Objectives

The group discussed their goals, objectives and key concerns related to pursuing a Clean Cities International program. Some important notes included:

- Siddique said that ever since he visited Washington, DC in 2000 he has been trying to bring CCI to Dhaka. With this meeting he is now successful. He believes this is approach critical to the success of the Bangladesh CNG industry.
- Bruce McMullen noted that this was the first time the stakeholders have been brought together in one room to focus on these important issues.

- Mr. Gupta of Swagelok Industries noted that in India, 10,000 buses have been converted, and have experienced fuel leaks. Bangladesh must be very careful so we don't make the same mistakes.
- Codes and standards are a very important part of the program. Completion of the codes and a process to enforce them is critical.
- CNG started in Bangladesh in 1981 with 80/20 diesel kits with the goal to achieve 80% diesel substitution. Only 35-40% diesel substitution has been achieved. When idling, 80/20 systems revert back to 100% diesel.
- RPGCL is only company that has converted 100% of vehicles to CNG.
- Conversion of government vehicles is in progress.
- Zia suggested that those in the room focus on making things happen. Private sector has taken CNG industry where we are and that government will do standards. Zia suggested a simple volunteer program.
- 34 CNG Stations have been completed and more are in process, continued and sustainable growth will require a good economical model for station owners – which means they will need better gas pricing.

Through this background discussion the group identified the following key goals:

1. Finalize Codes and Standards for vehicles and stations.
2. Develop and conduct a Driver Training Program
3. Develop and conduct a Mechanic Training Program
4. Develop and conduct a Station Operator Training Program
5. Develop training for Safety Inspectors
6. Develop an awareness program with public drivers and CNG station operators.
7. Install more CNG stations
 - a. 50 stations by end of 2003 is the current goal
8. Develop a vehicle conversion goal
 - a. Private sector needs to have goal. Zia suggested a market survey to determine the number.
9. Develop a directory of the players, similar to the NGVC Purchasing Guide. Perhaps posting on a website (although not sure who/what website). This is a possible role for a sub-committee.

Agree on Stakeholders

The group discussed who should be stakeholders in Clean Cities program.

1. Dhaka Chamber of Commerce and Industry-Committed to assist CCI in setting up CCI.
2. ADB and World Bank are working on cleaning up Dhaka and should be part of the CCI.
3. RPGCL-In attendance
4. BRTC-Transit Buses
5. All transit operators
6. BPI-Committed to training
7. Metropolitan Police
8. DCC

The group discussed the role of the stakeholders and agreed that the following should be represented:

- Government/Policy makers
- Service Providers
- End-Users

Meeting attendees who are committed to support the CCI program identified themselves by signing up posted sheets in the room. Suggested members who were not present were also recommended. The lists of stakeholders are attached.

Clean Cities Implementation Plan

The group began a discussion of the how the coalition would function and develop an implementation plan. Key points discussed included:

1. Must have strong leadership
2. Must select a coordinator
 - a. Suggested dual coordinators
 - i. Government
 - ii. Private
 - b. Must be hard workers
 - c. Must get approval from company
3. Didn't want to select a coordinator today
 - a. Many people wanted to be coordinator
4. Need to select subcommittee chairs
 - a. Already have assignments
5. Must create a plan
 - a. Get all stakeholders to sign a MOU
 - b. Submit to US DOE
6. Must register with the Register of Societies.

Election of CC Coordinator

The concept of have dual coordinators was discussed and accepted. Bruce McMullen agreed to prepare a letter to the Secretary of Energy to secure support for a government person as a coordinator. The coordinator from the private sector is also being reviewed.

Next Steps

The next steps in the Dhaka CCI process are:

- *Agree on Coordinators*
- *Complete draft of Codes and Standards*
- *Begin development of the implementation plan based on goals outlined in the kick-off meeting.*



P R E S S R E L E A S E

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FOR IMMEDIATE RELEASE

November 17, 2003

Clean Cities International Hosts Mini-Trade Show in Bangladesh

Dhaka, Bangladesh-November 17, 2003- Bangladesh is quickly becoming a hotbed for the Natural Gas Vehicles (NGV) industry, and Compressed Natural Gas (CNG) stations are sorely needed throughout the country. Responding to this opportunity, Clean Cities International hosted a mission and mini-trade show in Dhaka, Bangladesh on November 18 and 19 at the Dhaka Sheraton. The show gave US companies an opportunity to meet with CNG fueling station buyers. Funding under an Asian Development Bank (ADB) program already is available for thirty stations by year-end, and there is a need for hundreds of stations in the future to support the rapid conversion of vehicles to CNG in Bangladesh.

In addition, the United States Agency for International Development (USAID) signed two agreements with Prime Bank Limited and Hong Kong and Shanghai Banking Corporation Limited to facilitate access to credit, amounting to US \$3.5 million for Bangladeshi private entrepreneurs and businesses willing to install CNG infrastructure. This USAID agreement is believed to be the first of its type to support CNG infrastructure anywhere in the world.

For more information, contact Greg Zilberfarb at the Dhaka, Sheraton, (880-2) 8613391



Greg Zilberfarb welcomes participants to the Clean Cities International Mini-Trade Show.